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DENNIS C. BROWN ATTORNEY AT LAW 126/B NORTH BEDFORD STREET ARLINGTON, VIRGINIA 22201

PHONE 703/525-9630 D.C.BROWN@ATT.NET

FAX 703/526-0017 NOT ADMITTED IN VIRGINIA

November 18, 2003

CC: 96-45

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
c/o Natek, Inc., Inc.
236 Massachusetts Avenue, N.E., Suite 110
Washington, DC 20002

RECEIVED

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Attention: Chief, Wireline Competition Bureau
Timothy Peterson

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Dear Madam Secretary:

I represent the interests of National Network Communications, Inc. (National Network) before the Federal Communications Commission. On behalf of National Network, pursuant to Sections 54.719 and 54.722 of the Commission's Rules, 47 C.F.R. §§54.719 & 54.722, I am hereby appealing and otherwise requesting relief from the demand of the Commission and the Universal Service Administrative Company (USAC) for payment of a debt allegedly owed to Universal Service Fund (USF). The demand for payment in the amount of \$16,894.54 was stated in a letter from the Commission to National Network dated September 12, 2003, reference numbers 0001-9437-11 and 03US000059. National Network respectfully requests waiver of the filing deadline of Section 54.720(a) of the Commission's Rules, 47 C.F.R. §54.720(a). In support of its position, National Network shows the following.

National owes no debt to the USF. For the years 1999 through 2002, employees of National Network had misunderstood the instructions of FCC Forms 499-Q and 499-A and had filed reports with USAC which incorrectly indicated that National Network had some liability to contribute to the USF. National Network requests that the Commission and USAC allow National Network to withdraw its Forms 499 for the period 1999-2002 and cancel USAC's demand for payment to the USF.

On March 4, 2002, undersigned counsel wrote to USAC on behalf of National Network. A copy of that letter is attached hereto. As the result of a subsequent telephone call

with a member of the USAC on March 6, 2002, I believed that the matter had been resolved to that point in time. However, USAC has continued to demand payment and National has filed at least two subsequent, incorrect Form 499 reports.

A correct statement of the relevant figures follows. To determine the quarterly contribution amounts, the 12% safe harbor interstate portion of gross revenues was multiplied by the contribution factor applicable to each quarter:

<u>Quarter</u>	Gross Service Revenues	Interstate Portion of Revenues (12%)	Quarterly Contribution	Annual Total Contribution
1Q1999	\$264,793	\$31,775	\$1,195	
2Q1999	\$266,697	\$32,004	\$1,159	
3Q1999	\$261,742	\$31,409	\$1,234	
4Q1999	\$262,001	\$31,440	\$1,539	\$5,126
1Q2000	\$273,968	\$32,876	\$1,932	
2Q2000	\$290,876	\$34,905	\$1,993	
3Q2000	\$315,878	\$37,905	\$2,098	
4Q2000	\$298,620	\$35,834	\$2,031	\$8,055
1Q2001	\$296,614	\$35,594	\$2,379	
2Q2001	\$295,967	\$35,516	\$2,444	
3Q2001	\$296,170	\$35,540	\$2,450	
4Q2001	\$264,564	\$31,748	\$2,197	\$9,470
1Q2002	\$255,456	\$30,655	\$2,087	
2Q2002	\$249,226	\$29,907	\$2,177	
3Q2002	\$284,901	\$34,188	\$2,489	
4Q2002	\$258,968	\$31,076	\$2,263	\$9,016

As shown above, for none of the years 1999 through 2002, did National Network's annual USF liability exceed \$10,000. Therefore, National Network should not have filed Forms 499 and was not required to contribute to the USF. Accordingly, National Network requests that it be permitted to withdraw its Forms 499 for the years 1999 through 2002. National Network requests that USAC and the Commission cancel all demands for contribution to the USF for those years.

National Network is a very small business which provides radio paging service in rural areas of North Carolina and Virginia. It is a *de minimis* telecommunications service provider for purposes of the USF. National Network regrets that it was not able to hire and retain the skilled personnel necessary to interpret and correctly apply the 15 pages of complex Form 499 instructions during the period 1999-2002. National has undertaken a comprehensive review of its records and ascertained the correct facts which are presented, above. It would not be in the public interest for the Commission to continue to press upon National Network the demand

stated in its September 12 letter. To allow full consideration of the instant matter by the Commission, National Network respectfully requests waiver of the filing deadline of Rule Section 54.720(a).

For all the foregoing reasons, National Network respectfully requests that USAC and the Commission permit National Network to withdraw the Forms 499 which it filed for the period 1999 through 2002, and National Network respectfully requests that USAC and the Commission withdraw the demand for payment in the amount of \$16,894.54 as stated in the Commission's letter dated September 12, 2003.

Respectfully submitted,

Dennis C. Brown

DENNIS C. BROWN ATTORNEY AT LAW 1730 K STREET, N.W., SUITE 304 WASHINGTON, D.C. 20006

PHONE 703/525-9630

FAX 703/526-0017 D.C.BROWN@ATT.NET

March 4, 2002

Collections Department Universal Service Administrative Company 12902 Federal Systems Park Drive Fairfax, Virginia 22033

Re: National Network Communications, Inc.

Gentlemen:

I represent the interests of National Network Communications, Inc. before the Federal Communications Commission. National Network has referred to me for response your letter dated January 14, 2002 concerning a demand for payment in the amount of \$12,109.82. National Network has also referred to me your statement of account dated February 21, 2002, showing a balance allegedly due USAC in the amount of \$15,602.43.

This is to inform USAC that as the result of an error by a former National Network employee, National Network incorrectly reported that it had a liability to USAC. In fact, review of the records of National Network has found that National Network has never had sufficient revenues to have any liability to USAC. Accordingly, National Network requests that the USAC cancel its invoice dated November 21, 2001 and its statement of account dated February 21, 2002.

Thank you for your attention to this matter.

Very truly yours,

Dennis C. Brown

DECLARATION

I declare under penalty of perjury that the foregoing is true and correct. Executed on November $\frac{12^{+4}}{}$, 2003.

Benjamin m. Chistont